GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:137
ANSWERED ON:28.11.2000
PESTICIDE INDUSTRY
TARACHAND BHAGORA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that pesticide industry is facing problems due to indifference shown by the Government and discrepancies prevailing in the excise laws;

(b) if so, whether it is also a fact that some small units manufacturing pesticide formulations have been closed down and rest of them are on the verge of closure;

(c) whether indigenous industry is being neglected by allowing monopoly of multinational companies in this field;

(d) if so, the facts in this regard?

Answer

THE MINISTER OF CHEMICALS & FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA)

(a): Prior to the Union Budget of 2000-01, different levels of excise duty were applicable totechnical pesticides and formulations. The pesticides industry had been representing for uniform excise duty of 8% on both technical pesticides and their formulations. In the Union Budget, 2000-01, a uniform Excise Duty of 16% has been levied on pesticides.

(b) to (d): The share of domestic companies in the pesticides industry is substantial. While the reasons for sickness and closure could be manifold, no specific report has been received regarding the closure of Pesticides units due to dominance of the multi-national companies in this sector.